P E T E R J . W E I S M A N , P . C .

August 31, 2007

Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

Re: File Number S7-11-07; Release No. 33-8813; Revisions to Rule 144 and Rule 145 to Shorten Holding Period for Affiliates and Non-Affiliates

Dear Ms. Morris:

We primarily represent institutional investors as legal counsel in PIPE transactions and are strongly in favor of the Commission's proposal to reduce the Rule 144 holding period and loosen selling restrictions on "restricted securities" for non-affiliates. In particular, we have the following comments:

<u>**Six Month Holding Period**</u>

We commend the Commission on proposing the reduction of the Rule 144 holding period to six months and urge consideration for reducing it even further, perhaps to three months. We believe a three month holding period would better support capital formation while not impairing, and in some respects improving, investor protection.

Reduction of the holding period to six months or shorter should not compromise investor protection, particularly with regard to sales by non-affiliates. Publicly traded securities are fungible; if a holder of restricted securities sells the exact same class of securities which are not restricted (which, for example, may have been purchased in the open market), then a purchaser is indifferent as to whether it is receiving shares purchased from the issuer or in the open market or from one who is selling short. We do not feel that compelling a holder to sell identical securities from Batch A (freely tradable) instead of Batch B (restricted) affords the purchaser much additional protection, if any.

On the contrary, reduction of the holding period should greatly enhance small public companies' ability to raise capital, and we believe much more so with a three month holding period. It would reduce the costs involved in any PIPE financing: the pricing and terms of any such transaction would be more favorable to the issuer since investors would be incurring less risk in holding restricted securities, and the expense of registering restricted securities for resale would be saved (which could be significant). In addition, PIPE investors would be more likely to invest in companies where they might otherwise

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